

17 November 2009

**e-pay Asia Limited
("e-pay Asia" or the "Company")**

Market Update – effects of GST Audit

e-pay Asia Limited is in the process of finalising with the Australian Taxation Office ('ATO'), an audit of GST for the holding company and other Australian subsidiaries from July 2006 to March 2009. As the listed entity ceased direct operations in the 2006 financial year and became a holding company, it became unable to claim a refund of GST on its expenses. The Company now has to repay to the ATO the bulk of the refunds of GST it received over the 3 year period.

The financial impact will be a charge of approximately \$300,000 on this years result. Final amounts of interest and any penalties are still being discussed. We have included our estimates of interest & penalties in our calculation of the impact.

The Board expects the year-end net profit after tax is in the range of \$800,000 to \$1 million after allowing for these additional expenses.

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ABOUT e-pay Asia Limited

e-pay Asia Limited is one of the leading provider of electronic top up services for prepaid mobile users in South East Asia. The e-pay Asia's electronic top up services operates in 3 countries namely Malaysia, Thailand and Pakistan with approximately 15,000 point of sales. e-pay Asia processes more than 100 million prepaid mobile top up transactions per year.

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